

September 2001

**ARMY
MANAGEMENT****Need to Reassess Risk
and Resources for
Inspecting Ceremonial
Rifles****20011003 037****DISTRIBUTION STATEMENT A**
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United States General Accounting Office
Washington, DC 20548

September 28, 2001

Congressional Committees

Beginning in the 1920s, the Army began lending obsolete or condemned rifles to local units of veterans' organizations for the funeral ceremonies of members or former members of the armed forces and for other ceremonial purposes. Today, this program is authorized by 10 U.S.C. 4683; the Army refers to it as the Ceremonial Rifle Program. Currently, the M-1 is the only rifle authorized for the program.

The National Defense Authorization Act for Fiscal Year 2000¹ amended the law to authorize the Secretary of the Army to conditionally loan or donate² M-1 rifles and required that we review and report on the Secretary's exercise of authority under the amended law. The act specifically

- increased the number of rifles that may be provided for eligible organizations from not more than 10 to not more than 15 rifles;
- required the Secretary to impose such conditions on the use of the rifles as necessary to ensure their security, safety, and accountability, and such other conditions as may be considered appropriate;
- expanded the organizations eligible to receive rifles to include honor guards that the Secretary recognizes as such for national cemeteries and law enforcement agencies, as well as local units of any organization that the Secretary determines is a nationally recognized veterans' organization; and
- permitted rifles, accessories, and blank ammunition to be issued and delivered without charge if used for the funeral ceremonies of a member or former member of the armed forces.

As agreed with your office, this report addresses the following questions: (1) How has the Army modified its regulations for the Ceremonial Rifle Program to reflect the amendments to section 4683? (2) How many rifles have been provided under the amended law, and what controls have been implemented to account for them?

¹ P.L. 106-65, section 381.

² Hereafter, we use the term "provide" or a variation thereof.

Results in Brief

The Army issued an interim change to its regulation governing the Ceremonial Rifle Program that partially addresses the Secretary's authority under the amended law. The Army's interim change addresses (1) the number of rifles that may be provided and (2) the security, safety, and accountability over provided rifles. However, the Army's interim change does not address the expanded types of organizations for which the Secretary may provide rifles and does not recognize that the Secretary may issue rifles, accessories, and blank ammunition without charge for funeral ceremonies of a member or former member of the armed forces. The Army recognizes that further changes to its regulations are needed but has no time frame for making the changes.

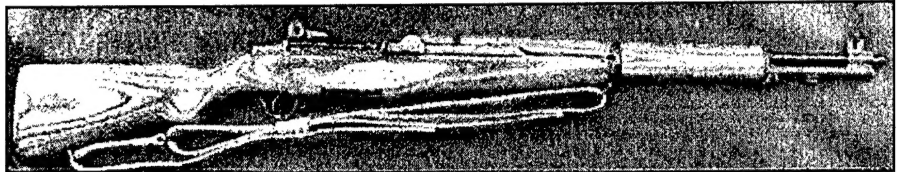
From the time the law was amended in October 1999 through March 2001, the Army reported providing 232 organizations with 2,054 rifles and had 937 open requests for 8,395 rifles. The Army estimated that it has provided over 300,000 rifles under the Ceremonial Rifle Program since the program's inception in the 1920s. In the mid-1990s, the Army placed a moratorium on issuing additional rifles because of discrepancies in the program and the misuse of rifles provided under the program. However, the Army has begun an effort to improve its accountability over the rifles by automating records and inspecting organizations to which rifles were provided. These efforts identified over 5,500 lost or stolen rifles and over 67,000 rifles provided for organizations that no longer exist. Over 22,000 organizations remain to be inspected. A Tank-automotive and Armaments Command official stated that under current funding, it may take over 18 years to finish the inspections.

This report contains recommendations to the Secretary of Defense concerning the actions necessary to finalize Army regulations implementing the amended law and to reassess the risk posed by the misuse of rifles and the current allocation of resources to complete the inspections of organizations for which ceremonial rifles have been provided. In comments on a draft of this report, the Department of Defense concurred with our recommendations.

Background

The Army began providing obsolete or condemned rifles to local units of veterans' organizations in the 1920s. In the past, the Army provided rifles such as the M1903 and M1917 under the program. The Army first provided the M-1 rifle in mid-1970s. (See fig. 1.)

Figure 1: M-1 Rifle



Source: Tank-automotive and Armaments Command.

Prior to October 5, 1999, the law authorized the Secretary of the Army to provide not more than 10 obsolete or condemned rifles, slings, and cartridge belts for local units of any national veterans' organization recognized by the Department of Veterans Affairs for the funeral ceremonies of members or former members of the armed forces and for other ceremonial purposes. The Secretary was also authorized to provide and deliver blank ammunition, without charge, if the ammunition was to be used for ceremonies at national cemeteries. The National Defense Authorization Act for Fiscal Year 2000 amended the law, effective October 5, 1999.

Army Regulation Recognized Some, but Not All, Changes in the Secretary's Authority

In response to the amended law, the Army revised its regulation governing the Ceremonial Rifle Program³ by issuing an interim change that partially addressed the changes in the act. Table 1 compares the law as amended with the Army's interim change. However, the interim change did not recognize the wider range of organizations for which the Secretary may provide rifles. It also did not recognize that the Secretary was given the authority to issue and deliver rifles, accessories, and blank ammunition without charge if used for funeral ceremonies of a member or former member of the armed forces. However, the Army's current application process recognizes the wider range of organizations for which the Secretary may provide rifles. (See app. I.)

³ See *Loan or Lease of Army Materiel*, Army Regulation 700-131 (Sept. 1, 1996).

Table 1: Comparison of the Requirements of the Law as Amended With the Army's Interim Change

The law as amended	The Army's interim change
Increased the number of rifles that may be provided from not more than 10 to not more than 15	Increased the number of rifles that may be provided to 15
Required the Army to ensure security, safety, and accountability of rifles	Established policy regarding security, safety, and accountability of the rifles' usage
Expanded the organizations for which rifles could be provided to include law enforcement agencies and honor guards as well as veterans' organizations	Limited availability of the rifles to local units of nationally recognized veterans' organizations
Permitted the Army to issue and deliver rifles, accessories, and blank ammunition free of charge if used for funerals of members or former members of the armed forces	Stipulated that the program would be run at no cost to the Army except for ammunition used at national cemeteries

Army officials recognize that further changes to the regulation are needed to fully implement all of the changes allowed by the amended law. According to an official in the Tank-automotive and Armaments Command, which is responsible for the Ceremonial Rifle Program, the Command has not finalized the revision of the regulation because it was waiting for a funding policy decision from the Department of the Army.

The Command requested that the Department confirm that rifles should be issued without charge and solicited funding support for the program, which is being carried as a \$2 million unfunded requirement in the Command's fiscal year 2003 budget proposal. The Command expected to conform to the amended law by providing M-1 rifles, accessories, and blank ammunition to qualified organizations without charge if they are to be used for a member's or former member's funeral but would charge if used for other purposes, such as parades and other ceremonial events.

Army Is Providing Rifles, but Accountability for Rifles Is Incomplete

The Army reported providing 2,054 rifles for 232 organizations from the time section 381 expanded the Ceremonial Rifle Program in October 1999 through March 2001. As of March 31, 2001, Army records showed 937 open requests⁴ for 8,395 rifles. In the mid-1990s, the Army placed a moratorium on issuing rifles under the program because of discrepancies and the misuse of rifles. The Army has begun an effort to improve its accountability for all rifles provided under the program, including automating records previously maintained on 3" x 5" cards and inspecting rifles. As of May 2001, the Army's efforts identified 5,589 lost or stolen rifles and over 67,000 rifles whose whereabouts are uncertain because they were provided for organizations that no longer exist. An Army official said that completing its inspections of all organizations provided with rifles will cost \$9.4 million and estimated that on the basis of current funding resources, it will take more than 18 years to complete the inspections.

Rifles Provided Under the Ceremonial Rifle Program

The Army reported providing 2,054 M-1 rifles from October 1999 through March 2001. As of March 2001, it had 937 open requests for 8,395 rifles. (See table 2.) The Army's current application process for organizations to acquire ceremonial rifles is described in appendix I. The Army estimates that it has provided over 300,000 rifles since the program began in the 1920s and has about 100,000 rifles available for distribution.

Table 2. Status of M-1 Rifle Requests for the Period October 1, 1999, Through March 31, 2001

Status of requests	No. of requests	No. of rifles requested
Open requests as of October 1, 1999	1,151	^a
New requests received	683	^a
Requests canceled ^b	665	^a
Requests filled	232	2,054
Open requests as of March 31, 2001	937	8,395

^a The Army was unable to provide data on the number of rifles associated with the requests.

^b The Army canceled requests for which the applicants did not provide required documents within a 1-year period.

Source: Tank-automotive and Armaments Command.

⁴ An open request includes requests for which the Army has provided the applicant with a checklist of the requirements and documents required to obtain rifles (see app. I) and requests in various stages of review.

The Army did not provide any rifles from October 1999 through June 2000 because it had not provided funds to cover the program's costs. Prior to October 1999, applicants were required to pay for the inspection, repair, packing, crating, handling, and shipment of rifles requested under the Ceremonial Rifle Program. Also, the program's cost estimates have increased. For example, the estimated cost of refurbishing rifles prior to issuance will increase from about \$65 a rifle for fiscal year 2001 to about \$150 a rifle for fiscal year 2002. Because funds were not provided to cover the estimated costs of the amended Ceremonial Rifle Program, the Army Materiel Command has used other funds to keep the program active. The Command is carrying the program as a \$2 million unfunded requirement for its fiscal year 2003 budget proposal.

Efforts to Improve Accountability for Rifles Are Slow

The Army's efforts to automate the records for the ceremonial rifle program and its inspections of organizations for which rifles were provided have identified thousands of missing rifles. However, the inspections will take over 18 years to complete according to a Tank-automotive and Armaments Command official.

In the mid-1990s, the Army placed a moratorium on issuing rifles under the program because of discrepancies and the misuse of rifles provided. Before the Tank-automotive and Armaments Command assumed responsibility for the Ceremonial Rifle Program, the records of the rifles provided contained limited information. For example, records consisted of 3" x 5" cards, and the rifles' serial numbers were not always recorded.

When the Tank-automotive and Armaments Command assumed responsibility for the program in 1998, the Command began to maintain more detailed records of the rifles provided, which included recording serial numbers. Tank-automotive and Armaments Command officials stated that without serial numbers, ceremonial rifles would be hard to trace. The Command has begun to input the information contained on the 3" x 5" cards into an automated database. This effort is being accomplished on a state-by-state basis. As of May 2001, the Command entered data for 10,053 of an estimated 24,000 organizations that have obtained ceremonial rifles. The 10,053 organizations were accountable for 189,678 rifles. The Command also verified the existence of local veterans' organization units with their national headquarters.

In addition, the Army has begun a program to award contracts for the inspection of organizations holding the rifles provided under the Ceremonial Rifle Program for the states entered thus far into the automated database. The contractors are required to inventory the rifles;

verify that the organization has completed the required documents; inspect the rifles; review security, storage conditions, and facilities; and photograph the rifles. As of May 2001, contractors inspected 1,617 organizations in five states that were accountable for 10,825 rifles, and they were in the process of inspecting 294 organizations in two states that had received 3,604 rifles. The Army was in the process of awarding three contracts covering 499 organizations—accountable for 5,869 rifles—in three additional states. According to a Tank-automotive and Armaments Command official, it will cost \$9.4 million to inspect the 22,601 organizations that have not been inspected. The official said that at the current funding rate of about \$500,000 a year, it will take over 18 years to complete the inspections.

The efforts to automate records and inspect and inventory rifles have identified 1,107 rifles that were stolen and 4,482 rifles that were lost. Also, as a result of the inspections and verifying the existence of local units with the national headquarters of veterans' organizations, the Army identified 6,787 organizations that no longer exist. The organizations that no longer exist were provided with 67,098 rifles; the whereabouts of these rifles is unknown. Also, there are several ongoing investigations regarding the misuse of ceremonial rifles.

Conclusions

The amended law has been in effect for almost 2 years, and the Army has not completed its revision of required regulations to fully reflect the scope of the amendment. Without updated policies and regulations, the Army cannot ensure that it is treating applicants for ceremonial rifles consistently and equitably. Additionally, the Army does not know the whereabouts of thousands of ceremonial rifles and estimates that it will take over 18 years to finish inspections of organizations that were provided with rifles. We understand that the Army has competing funding priorities. However, if the Army takes over 18 years to complete its inspections, the potential vulnerability for misuse of unaccounted for rifles is increased. In addition, rifles that are eventually determined to be lost, stolen, or issued to organizations that no longer exist may be more difficult to recover.

Recommendations for Executive Action

We recommend that the Secretary of Defense direct the Secretary of the Army to take the actions necessary to

- finalize the revision of Army regulations implementing the amended law and

-
- reassess the potential risk associated with the misuse of rifles provided under the program relative to the current time frame and funding that have been allocated to complete the inspections. On the basis of this assessment, determine if actions are needed to expedite the inspections.

Agency Comments and Our Evaluation

In commenting on a draft of this report, the Department of Defense concurred with our recommendations. The Department's comments are reprinted in their entirety in appendix II.

Scope and Methodology

To answer the two questions addressed in this report, we met with officials from the Army's Deputy Chief of Staff for Logistics, Washington, D.C.; the Army Materiel Command, Alexandria, Virginia; the Tank-automotive and Armaments Command, Warren, Michigan; and the Armaments and Chemical Acquisition Logistics Activity, Rock Island, Illinois.

To determine the status of the Army's changes to existing regulations, policies, and procedures for lending and donating excess M-1 rifles, we obtained and analyzed Army regulations, interim regulation changes, correspondence, documents, and requirements that are required of organizations in order to obtain and keep rifles, and we interviewed responsible program officials.

To determine the number of rifles provided under the program and to review the Army's controls over them, we obtained and analyzed reports on the status of rifle requests and correspondence, reviewed the files of organizations that received rifles under the program, obtained information on the inspections of organizations for which rifles were provided, and interviewed responsible program officials. We did not verify the accuracy of the reported data.

We conducted our review from June 2000 through July 2001 in accordance with generally accepted government auditing standards.

We are sending copies of this report to the Honorable Donald H. Rumsfeld, Secretary of Defense; the Honorable Thomas E. White, Secretary of the Army; the Honorable Mitchell E. Daniels, Jr., Director, Office of Management and Budget; and interested congressional committees. We will make copies available to others upon request.

If you or your staff have any questions on this report or wish to discuss these matters further, please call me on (202) 512-4412. Key contributors to this report were Lawson Gist Jr., Jennifer Thomas, Lou Modliszewski, John G. Brosnan and Alan Goldberg.

A handwritten signature in black ink that reads "Charles D. Patton, Jr." The signature is written in a cursive style with a prominent "C" and "P".

Charles Patton, Jr.
Director, Defense Capabilities
and Management

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Appendix I: Application Process for Organizations to Acquire Ceremonial Rifles

The current Army application process provides for the security, safety, and accountability of rifles as mandated by the amended law. The requirements and documents for obtaining rifles vary slightly depending on whether the requesting organization is a nationally recognized veterans' organization, an organization of honor guards for national cemeteries that the Secretary of the Army recognizes as such,¹ or a police department. Generally, the requirements or documents required for organizations to obtain M-1 rifles are intended to ensure that the applicant is qualified to receive the rifles, intends to appropriately use the rifles, and is prepared to acceptably store the rifles. The requirements/documents required to obtain rifles are described in detail in table 3.

Table 3: Requirements and Documents Required to Obtain Ceremonial Rifles

Requirement/document required	Nationally recognized veterans' organization	Organizations of honor guards for national cemeteries	Police department
Written request signed by	Local commander, commandant, or president	Local commander, commandant, or president	Chief of police
Documents accompanying requests must be signed by	Commander, Adjutant, or Quartermaster	Commander or equivalent	Chief of police or his designated staff officer
State or federal charter	Not required	Required	Not required
Certificate of tax exemption	Not required	Required	Not required
Copy of bylaws	Not required	Required	Not required
Certificate of arms storage that identifies the storage location of the weapons and is signed and notarized	Required	Required	Required
Arms storage facility certification that is signed by the local law enforcement agency	Required	Required	Police arms rooms are exempt if the police department is manned 24 hours a day
Certificate of assurance of compliance with title 6, Civil Rights Act, to ensure that the recipient organization does not and will not discriminate against any individual or group on the basis of race, color, national origin, sex, or handicap	Required	Required	Required
Verification of compliance with the Lautenberg Amendment (18 U.S.C. 922 (d)(9)) that the applicant has not been convicted of a misdemeanor crime of domestic	Required	Required	Not required

¹ The Army refers to these organizations as "nonnationally recognized veterans' organizations."

**Appendix I: Application Process for
Organizations to Acquire Ceremonial Rifles**

Requirement/document required	Nationally recognized veterans' organization	Organizations of honor guards for national cemeteries	Police department
violence (notarized and verified by the state police)			
Affidavit of compliance with 10 U.S.C. 4683 that identifies the intended use of the ceremonial rifles	Required	Required	Required
Photograph of storage facility	Required	Required	Required
Photograph of the exterior of the building housing storage facility	Required	Required	Required
Map of local area	Required	Required	Required

Source: Tank-automotive and Armaments Command.

The Army requires applicants who are provided with rifles to complete and maintain the following documents:

- Upon delivery of the rifles, the applicant is required to sign and notarize a conditional deed of gift. The deed outlines the applicant's responsibilities for retaining and maintaining the rifles and the conditions for retaining them. According to the Tank-automotive and Armaments Command, this document is equivalent to a title for the rifles whereby the U.S. government is the lien holder. The deed allows authorized government representatives access to the applicant's records and facilities during periodic inspections to ensure the accuracy of the information provided and compliance with the terms of the deed.
- The applicant is required to maintain a weapons control register showing when rifles are removed from the storage facility. Each individual receiving a weapon must sign the register and show its return. The applicant is required to submit a copy of the register with the annual certification of ceremonial rifles described in the application. The register allows the applicant to track the whereabouts of the rifles and aid local police in the investigation of any loss or theft of the weapons.
- In addition to the weapons control register, the applicant is required to complete a ceremonial rifle inventory list that shows the model, manufacturer, and serial number of each rifle received. The inventory list provides for an accurate catalog of weapons in the applicant's possession and an accurate report of any missing weapons to police for investigation.

**Appendix I: Application Process for
Organizations to Acquire Ceremonial Rifles**

- Each applicant also receives an annual certification of ceremonial rifle that is to be completed and returned to the Tank-automotive and Armaments Command² by January 15 of each year. This document certifies that the applicant still has the rifles, wishes to retain them, and is properly caring for them. The certificate is to be accompanied by a copy of the weapons control register for the previous year and a current photograph of the rifles.

² Prior to 1998, the Armament and Chemical Acquisition and Logistics Activity was responsible for the program. The Tank-automotive and Armaments Command is a major subordinate command of the Army Materiel Command.

Appendix II: Comments From the Department of Defense



DEPUTY UNDER SECRETARY OF DEFENSE FOR
LOGISTICS AND MATERIEL READINESS
3500 DEFENSE PENTAGON
WASHINGTON, DC 20301-3500

SEP 25 2001

Mr. Charles I. Patton, Jr.
Director, Defense Capabilities and Management
U.S. General Accounting Office
Washington, D.C. 20548

Dear Mr. Patton:

This is the Department of Defense (DoD) response to the General Accounting Office (GAO) draft report 01-967, "ARMY MANAGEMENT: Need to Reassess Risk and Resources for Inspecting Ceremonial Rifles," dated August 13, 2001 (GAO Code 350019). The DoD generally concurs with the draft report.

Detailed comments on the draft report recommendations are included in the enclosure. The DoD appreciates the opportunity to comment on the draft report.

Sincerely,

A handwritten signature in black ink, reading "Allen W. Beckett", is positioned above the printed name.

Allen W. Beckett
Principal Assistant

Enclosure



GAO DRAFT REPORT 01-967 DATED AUGUST 13, 2001
(GAO CODE 350019)

"ARMY MANAGEMENT: NEED TO REASSESS RISK AND RESOURCES FOR
INSPECTING CEREMONIAL RIFLES"

DEPARTMENT OF DEFENSE COMMENTS TO
THE GAO RECOMMENDATIONS

RECOMMENDATION 1: The GAO recommended that the Secretary of Defense direct the Secretary of the Army to finalize the revision of Army regulations implementing the amended law. (Page 7/Draft Report)

DOD RESPONSE: Concur. The Army is already in process of updating the Army regulation.

RECOMMENDATION 2: The GAO recommended that the Secretary of Defense direct the Secretary of the Army to reassess the potential risk associated with the misuse of rifles provided under the program relative to the current time and funding that have been allocated to complete the inspections. On the basis of this assessment, determine if actions are needed to expedite the inspections. (Page 8/Draft Report)

DOD RESPONSE: Concur.

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